

**ND ASSOCIATION OF COUNTIES
PROGRAM SAVINGS FUND
State Investment Board
Balance Sheet
As of 8/31/2008**

	As of <u>8-31-08</u>	As of <u>6-30-08</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 281,094	\$ 268,804
INTERNATIONAL EQUITIES	77,436	76,233
DOMESTIC FIXED INCOME	396,978	416,865
INVESTED CASH (NOTE 1)	<u>40,334</u>	<u>41,265</u>
 TOTAL INVESTMENTS	 795,842	 803,167
 RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	<u>784</u>	<u>509</u>
 TOTAL RECEIVABLES	 784	 509
 OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	24,053	24,053
 TOTAL ASSETS	 <u>\$ 820,679</u>	 <u>\$ 827,729</u>
 LIABILITIES:		
SECURITIES LENDING COLLATERAL (NOTE 2)	24,053	24,053
INVESTMENT EXPENSE PAYABLE	<u>1,243</u>	<u>1,481</u>
 TOTAL LIABILITIES	 25,296	 25,534
 NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	802,195	851,526
CASH IN DURING YEAR (NOTE 3)	0	0
CASH OUT DURING YEAR (NOTE 4)	0	0
NET INCREASE (DECREASE)	<u>(6,812)</u>	<u>(49,331)</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>795,383</u>	 <u>802,195</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u>\$ 820,679</u>	 <u>\$ 827,729</u>

**ND ASSOCIATION OF COUNTIES
PROGRAM SAVINGS FUND
State Investment Board
Profit and Loss Statement
For the Month Ended 8/31/2008**

	Month Ended <u>8-31-08</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 2,520	\$ 4,961
SECURITIES LENDING INCOME	<u>60</u>	<u>119</u>
	2,580	5,080
 GAIN ON SALE OF INVESTMENTS	 13,989	 26,768
LOSS ON SALE OF INVESTMENTS	<u>13,775</u>	<u>28,435</u>
 NET GAINS (LOSSES) INVESTMENTS	 214	 (1,667)
 INVESTMENT EXPENSES	 258	 1,237
SECURITIES LENDING EXPENSES	42	82
 NET INVESTMENT INCOME	 2,494	 2,094
 NET APPREC (DEPREC) MARKET VALUE	 98	 (9,000)
MISCELLANEOUS INCOME/(EXPENSE)	<u>98</u>	<u>94</u>
 TOTAL INVESTMENT INCOME	 <u>2,690</u>	 <u>(6,812)</u>
 NET INCREASE (DECREASE)	 <u>\$ 2,690</u>	 <u>\$ (6,812)</u>

ND ASSOCIATION OF COUNTIES
Notes To Financial Statements
August 31, 2008

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

NOTE 2 **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

NOTE 4 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.